



CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

No. 20-162

RESOLUTION

URGING THE GOVERNOR TO EXTEND THE EMERGENCY MORATORIUM ON RESIDENTIAL TENANT EVICTIONS UNTIL DECEMBER 31, 2020 DUE TO CONTINUING WIDESPREAD STATEWIDE UNEMPLOYMENT AND REDUCED EARNINGS ARISING FROM THE OUTBREAK OF COVID-19 IN THE STATE.

WHEREAS, on January 30, 2020, the World Health Organization declared the outbreak of a respiratory illness caused by a novel coronavirus that was first identified in Wuhan, Hubei Province, China ("COVID-19") a public health emergency of international concern; and

WHEREAS, on January 31, 2020, the United States Secretary of Health and Human Services declared the outbreak of COVID-19 a public health emergency for the United States; and

WHEREAS, due to the COVID-19 pandemic, on March 13, 2020, the President of the United States declared a national emergency and on April 1, 2020 declared a major disaster for the State of Hawaii ("State"); and

WHEREAS, from March 4, 2020 through June 10, 2020, the Governor responded to the COVID-19 pandemic by issuing nine proclamations and supplementary proclamations, which, among other things:

- Declared a state of emergency and suspended certain laws to support ongoing State and County responses to COVID-19;
- Imposed a stay-at-home order requiring all persons within the State to remain at home, except to engage in certain specified essential activities, governmental functions, or the operation of essential businesses;
- Implemented a mandatory 14-day self-quarantine for all persons entering, and travelling between any of the islands in, the State;
- Mandated physical distancing measures throughout the State; and
- Closed certain State facilities and established prohibitions for certain outdoor activities such as boating, hiking, and shoreline fishing; and

WHEREAS, in response to the initial economic dislocations in the State and the City and County of Honolulu ("City") caused by the COVID-19 pandemic, which included



RESOLUTION

widespread unemployment, business closures, and reduced State revenues, the City Council ("Council") on April 15, 2020, adopted Resolution 20-96, FD1; and

WHEREAS, Resolution 20-96, FD1 requested the Governor to institute an emergency moratorium on commercial and residential tenant evictions and homeowner foreclosures beyond the relief that may be provided by the U.S. Coronavirus Aid, Relief, and Economic Security ("CARES") Act, which was signed into law on March 27, 2020; and

WHEREAS, on April 16, 2020, the Governor's Fifth Supplementary Proclamation established an eviction moratorium to "forestall any eviction from a residential dwelling for failure to pay rent or lease or other related charge" until April 30th; and

WHEREAS, the Governor's Sixth, Seventh, Eighth, and Ninth Supplementary Proclamations subsequently restated and extended the eviction moratorium to May 31st, June 30th, and July 31st; and

WHEREAS, as of June 28, 2020, the State Department of Health's website reported that there were 899 confirmed COVID-19 cases in Hawaii, 636 of which were on Oahu, as well as 12 of the 18 fatalities statewide; and

WHEREAS, on June 25, 2020, the State Department of Labor and Industrial Relations ("DLIR") announced that since March 1st its Unemployment Division has taken in 238,438 jobless claims statewide and paid out \$1,727,662,401 in jobless benefits; and

WHEREAS, on June 18, 2020, the State DLIR reported that Hawaii's unemployment rate in May 2020 was 22.6 percent and that 143,150 people in the State were unemployed, a slight improvement over Hawaii's April unemployment rate of 23.8 percent, but significantly higher than the national unemployment rate of 13.3 percent for May 2020; and

WHEREAS, on May 29, 2020, the Hawaii Council on Revenues lowered its forecast for State General Fund revenue growth to -7.0 percent for fiscal year (FY) 2020 and to -12.0 percent for FY 2021 "in light of the economic downturn prompted by the COVID-19 virus," which Hawaii Public Radio reported means that tax collections for the FY 2020 and FY 2021 period will decline by a combined \$2.3 billion, or about 7 percent of planned State government spending for that time period; and

WHEREAS, on May 28, 2020, the University of Hawaii Economic Research Organization ("UHERO") reported that the worldwide fallout from the COVID-19



CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

20-162

No. _____

RESOLUTION

pandemic, which includes "a reluctant travelling public," will cause the State's tourism-based economy to struggle for several years; and

WHEREAS, the UHERO predicted that by 2022 there will be approximately 8 million visitors to Hawaii, compared to more than 10 million in 2019, and that the statewide hotel occupancy rate will average 63 percent in 2022 compared with an 81 percent occupancy rate in 2019; and

WHEREAS, roughly 40 percent of Hawaii households rent their homes and these renters have, on average, a significantly lower income than homeowners, with a median income of \$57,000 compared with \$100,000 for homeowners; and

WHEREAS, on June 17, 2020, the UHERO reported that renters in Hawaii are "at significant risk due to the economic downturn," and noted that their housing tenure is by nature less secure and their assets more limited than those of homeowners; and

WHEREAS, the UHERO also reported that the Federal Pandemic Unemployment Compensation (FPUC) Program, which provides an additional \$600 per week to individuals who are collecting regular unemployment compensation, has helped to protect renters, but is set to expire on August 1st; and

WHEREAS, after August 1st, unemployed workers will still be eligible for standard unemployment insurance, but the payments will drop to roughly 60 percent of the individual's previous income, likely exposing thousands of renters to "unsustainable housing burdens"; and

WHEREAS, in a report issued in June 2020, the UHERO and the Hawaii Budget and Policy Center found that, as of July 31st:

- 40,000 to 45,000 renter households in Hawaii will be unemployed, lose their FPUC Program payments on August 1st, and not be receiving other rental assistance;
- 21,500 of these renter households will be at risk of losing their housing because the portion of their income going to housing will increase by 10 percent or more; and
- 7,500 of these renter households will be at extreme risk of losing their housing because the portion of their income going to housing will jump by 30 percent or more; and



CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

20-162

No. _____

RESOLUTION

WHEREAS, on June 21, 2020, *The Honolulu Star-Advertiser* reported that the current situation for renters is "prompting some to predict an avalanche of rental evictions" and that more than 50 of Hawaii's nonprofits and social service agencies and many individuals are urging State leaders to enact widespread protections for renters, including extending the moratorium on evictions for months after the pandemic is over in an effort to avoid mass evictions across the islands; and

WHEREAS, although the CARES Act provides some relief for tenants with residential leases for property that is covered by a federal housing program or has a federally-backed mortgage loan (*Sec. 4024, Temporary Moratorium on Eviction Filings*), the relief provided by the CARES Act is based on federal mortgage or housing programs and does not extend to the many residential tenants not covered by those programs; and

WHEREAS, on June 17, 2020, the Federal Housing Finance Agency announced that, to help borrowers and renters who are at risk of losing their homes due to the COVID-19 pandemic, the Fannie Mae and Freddie Mac Companies will extend the moratorium on foreclosures and evictions for single-family mortgages that they back from June 30th "until at least" August 31st; and

WHEREAS, after postponing most civil proceedings due to the COVID-19 pandemic on March 17th, 2020, the Hawaii State Judiciary reopened State District Courts on Oahu on June 8th, and on June 22nd the District Courts began hearing eviction cases, although "only in . . . cases not covered by Governor Ige's eviction moratorium" for residential dwelling units; and

WHEREAS, the Council finds that in light of the current high level of unemployment in Hawaii, the projected slow recovery of the State's economy which may take several years, and the dire economic situation many renters will find themselves in on August 1st due to the expiration of the FPUC Program, residential tenants need relief or protection from evictions for non-payments or delayed payments of rent and related monetary obligations (such as late payment penalties) beyond the July 31st date established in the Governor's eviction moratorium to allow them time to catch up on their rental arrearages or work out payment plans with their landlords; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that it urges the Governor of the State of Hawaii to extend, from July 31, 2020 to December 31, 2020, the emergency moratorium on residential tenant evictions for nonpayment of rent or related monetary obligations, established in his various emergency proclamations, where the nonpayment was due to the effects of the COVID-19 pandemic such as the loss of employment or a substantial reduction in earnings; and



CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

No. 20-162

RESOLUTION

BE IT FURTHER RESOLVED that the Governor is requested, to the extent practicable, to take into consideration, when crafting the order, the adverse impacts the emergency relief may have upon residential landlords; and

BE IT FINALLY RESOLVED that copies of this resolution be transmitted to the Governor, the President of the State Senate, the Speaker of the State House of Representatives, the Mayor, and the Managing Director.

INTRODUCED BY:

DATE OF INTRODUCTION:

JUN 30 2020

Honolulu, Hawaii

Councilmembers

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII
CERTIFICATE

RESOLUTION 20-162

Introduced: 06/30/20 By: RON MENOR

Committee: COUNCIL

Title: RESOLUTION URGING THE GOVERNOR TO EXTEND THE EMERGENCY MORATORIUM ON RESIDENTIAL TENANT EVICTIONS UNTIL DECEMBER 31, 2020 DUE TO CONTINUING WIDESPREAD STATEWIDE UNEMPLOYMENT AND REDUCED EARNINGS ARISING FROM THE OUTBREAK OF COVID-19 IN THE STATE.

Voting Legend: * = Aye w/Reservations

07/08/20 COUNCIL RESOLUTION 20-162 WAS ADOPTED.
9 AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MENOR,
PINE, TSUNEYOSHI, WATERS.

I hereby certify that the above is a true record of action by the Council of the City and County of Honolulu on this RESOLUTION.



GLEN I. TAKAHASHI, CITY CLERK



IKAIIKA ANDERSON, CHAIR AND PRESIDING OFFICER